

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1674-01
Bill No.: HB 782
Subject: Retirement - Local Government; Attorneys
Type: Original
Date: February 17, 2017

Bill Summary: This proposal modifies provisions relating to the prosecuting attorneys and circuit attorneys' retirement system.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Local Government	\$0 or Up to \$2,870	\$0 or Up to \$2,244	\$0 or Up to \$2,244

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Prosecuting and Circuit Attorney's Retirement System (PACARS)** assume that the bill, if passed and signed into law, would adversely affect the funding of the System by removing the requirement of any county which satisfies the language of the bill, to pay the monthly amount specified in section 56.807.(2). At present, the effect of the bill would be to reduce the funding of PACARS by \$280.50 for each month in which there is no prosecutor for that county.

Officials from the **Joint Committee on Public Employee Retirement System (JCPER)** stated provisions of the proposal do not constitute a substantial proposed change in future plan benefits as defined in Section 105.660(10), RSMo.

PACARS Current System Status: (as of July 1, 2015)

Market Value:	\$37,569,238	Funded Ratio:89.74%
Actuarial Value:	\$37,569,238	Funded Ratio: 89.74%
Liabilities:	\$41,865,453	

Recommended contribution for 2015/2016: \$1,797,276

Anticipated contribution for 2015/2016:

Expected Monthly County Contribution	\$ 607,080
Expected \$4 Surcharge Contribution	\$1,237,319
Interest Credit	<u>\$ 63,462</u>
Total Anticipated 2015 Contribution	\$1,907,861

Current Monthly County Contribution:

1st Class Counties	\$646
2nd Class Counties	\$271
3rd Class Counties	\$187
4th Class Counties	\$187

Covered Payroll: \$9,615,411

Officials from the **Missouri Local Government Employees Retirement System** and the **Office of Prosecution Services** each assume the proposal will have no fiscal impact on their respective organizations.

ASSUMPTION (continued)

For fiscal note purposes, **Oversight** will use the current contribution rate of reduced funding of \$187 for any month Ozark County does not have a prosecuting attorney or circuit attorney employed. Oversight will range the fiscal impact to Local Political Subdivisions from \$0 (the county has a prosecuting attorney or circuit attorney employed) or a savings of "Up to \$2,244" (\$187 x 12) (the county does not have a prosecuting attorney or circuit attorney employed).

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
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LOCAL POLITICAL SUBDIVISION

<u>Savings - Counties</u>	\$0 or Up to	\$0 or Up to	\$0 or Up to
Reduced payment transmitted to the PACARS Fund if the county does not have a prosecuting attorney or circuit attorney employed	<u>\$1,870</u>	<u>\$2,244</u>	<u>\$2,244</u>

ESTIMATED NET EFFECT TO THE LOCAL POLITICAL SUBDIVISIONS	\$0 or Up to <u>\$1,870</u>	\$0 or Up to <u>\$2,244</u>	\$0 or Up to <u>\$2,244</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

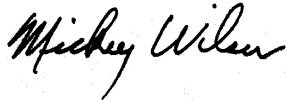
FISCAL DESCRIPTION

This bill exempts certain counties from the monthly payment to the Prosecuting Attorneys and Circuit Attorneys Retirement Fund for any month the county does not have a prosecuting attorney or circuit attorney employed.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Joint Committee on Public Retirement
Prosecuting and Circuit Attorney's Retirement System
Missouri Local Government Employees Retirement System
Office of Prosecution Services

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 17, 2017

Ross Strobe
Assistant Director
February 17, 2017